

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application of)
)
HAWAIIAN ELECTRIC COMPANY, INC.)
HAWAII ELECTRIC LIGHT COMPANY, INC.)
MAUI ELECTRIC COMPANY, LIMITED)
)
For Approval to Record a Regulatory Asset for)
Any Pension Liability Which Would Otherwise Be)
Charged to Accumulated Other Comprehensive)
Income)
_____)

DOCKET NO. 05-0310

STIPULATED PROCEDURAL ORDER NO. 23012

Filed November 3, 2006

At 1 o'clock P.M.

Karen Higrot.
Chief Clerk of the Commission

DIV. OF CONSUMER ADVOCACY
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
STATE OF HAWAII

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OF THE STATE OF HAWAII

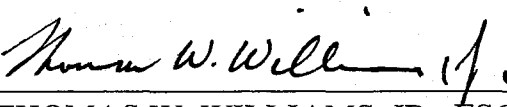
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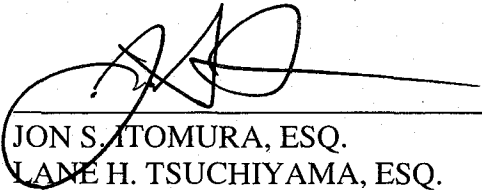
STIPULATED PROCEDURAL ORDER

Applicants Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc. and Maui Electric Company, Limited, the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, and the Department of the Navy, on behalf of the Department of Defense ("DOD") hereby stipulate that the attached Stipulated Procedural Order is mutually acceptable to each respective party.

This Stipulated Procedural Order may be executed by the parties in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. The parties may execute this Stipulated Procedural Order by facsimile for initial submission to the Commission to be followed by the filing of originals of said facsimile pages.

DATED: Honolulu, Hawaii, October 30, 2004.


THOMAS W. WILLIAMS, JR., ESQ.
PETER Y. KIKUTA, ESQ.
Attorneys for
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Hawaii Electric Light Company, Inc.
Maui Electric Company, Limited


JON S. TOMURA, ESQ.
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Attorneys for
Division of Consumer Advocacy
Department of Commerce and Consumer Affairs

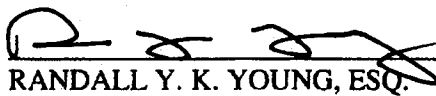
RANDALL Y. K. YOUNG, ESQ.
Attorney for the Department of Defense

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Department of Commerce and Consumer Affairs



RANDALL Y. K. YOUNG, ESQ.
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STIPULATED PROCEDURAL ORDER

WHEREAS, on December 8, 2005, Hawaiian Electric Company, Inc. ("HECO"), Hawaii Electric Light Company, Inc. ("HELCO") and Maui Electric Company, Limited ("MECO") (collectively "Companies") filed an application for approval to (1) record as a regulatory asset pursuant to the Statement of Financial Accounting Standards ("SFAS") No. 71 the amount that would otherwise be charged to equity as required under the provisions of SFAS No. 87 as a result of recording a minimum pension liability, (2) allow each of the Companies to continue to maintain in subsequent years, a regulatory asset, for any pension liability that would otherwise be charged to equity and (3) allow each of the Companies to continue to recover its annual cost of providing pension benefits to its employees, as actuarially calculated under the provisions of SFAS No. 87;

WHEREAS, the Companies' application requested a favorable ruling by January 31, 2006 if the Companies' accumulated benefit obligation ("ABO") exceeded the fair market value of their pension plan assets as of December 31, 2005;

WHEREAS, on December 27, 2005, the DOD filed a Motion to Intervene and Become a Party;

WHEREAS, on February 9, 2006, the Companies filed a letter informing the Commission that at December 31, 2005, the fair market value of the plan assets exceeded the ABO and requesting that while a decision by January 31, 2006 was no longer necessary, the Companies request approval of their application by no later than September 30, 2006 in the event the ABO exceeds the fair market value of the plan assets at future measurement dates;

WHEREAS, on September 12, 2006, the Consumer Advocate filed a letter stating that it intends to participate in this proceeding and will file its final statement of position in accordance with the procedural schedule that is established for this docket;

WHEREAS, on September 21, 2006, the Commission issued Order No. 22883, which granted the DOD's Motion to Intervene and directed the parties to file a stipulated procedural order, incorporating their agreed-upon issues, procedures, and schedule for Commission approval within thirty days from the filing of this order;

WHEREAS, on September 22, 2006, the Consumer Advocate issued information requests on the Companies' application and requested a response by October 13, 2006;

WHEREAS, on September 29, 2006, the Financial Accounting Standards Board issued SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans," an amendment of FASB Statements No. 87, 88, 106, and 132(R);

WHEREAS, on October 13, 2006, the Companies issued their responses to the Consumer Advocate's information requests, which included a copy of SFAS No. 158;

WHEREAS, on October 23, 2006, the Companies filed a request to extend the due date to November 6, 2006 to file a stipulated procedural order for this proceeding;

ACCORDINGLY, IT IS ORDERED that the following Schedule of Proceedings, and procedures shall be utilized in this docket.

I. STATEMENT OF ISSUES

The issues in this docket are:

1. Whether the Companies should be allowed to record as a regulatory asset pursuant to SFAS No. 71 the amount that would otherwise be charged to equity as required under the provisions of SFAS No. 87 or SFAS No. 158 as a result of recording a minimum pension liability.
2. Whether the Companies should be allowed to continue to maintain in subsequent years, a regulatory asset, for any pension liability that would otherwise be charged to equity.
3. Whether the Companies should be allowed to continue to recover its annual cost of providing pension benefits to its employees, as actuarially calculated under the provisions of SFAS No. 87.

II. SCHEDULE OF PROCEEDINGS

Consumer Advocate Supplemental Information Requests to Companies	November 2, 2006
DOD Information Requests to Companies	November 9, 2006
Companies' Responses to Consumer Advocate Supplemental Information Requests	November 15, 2006
Companies' Responses to DOD's Information Requests	November 24, 2006
Consumer Advocate and DOD Statements of Position	December 6, 2006
Companies' Information Requests to Consumer Advocate and DOD	December 13, 2006

Consumer Advocate and DOD Responses to Companies'
information requests

January 5, 2007

Companies' Reply Statement of Position

January 12, 2007

The establishment of additional procedural steps will be subject to Commission approval. If a party or parties request that the Commission conduct an evidentiary hearing in this proceeding, then the parties will designate witnesses that shall 1) be responsible for sponsoring the information contained in each section of their respective Statement of Position or Rebuttal Statement of Position, and 2) be available for cross examination. Matters related to Witnesses and Order of Examination at the Evidentiary Hearing will be established at a later date, if applicable.

III. MISCELLANEOUS MATTERS TO FACILITATE AND EXPEDITE THE ORDERLY CONDUCT OF THESE PROCEEDINGS

A. Requests for Information

A party to this proceeding may submit information requests to another party within the time schedule specified in this Stipulated Procedural Order. If a party is unable to provide the information requested within the prescribed time period, it should so indicate to the inquiring party as soon as possible. The Parties shall then endeavor to agree upon a later date for submission of the requested information. If the Parties are unable to agree, the responding party may seek approval for the late submission from the Commission upon a showing of good cause. It is then within the Commission's discretion to approve or disapprove such late filings and take any additional action that may be appropriate, such as extending the date for the party to respond.

In lieu of responses to information requests that would require the reproduction of voluminous documents or materials (e.g., documents over 50 pages), the documents or materials

may be made available for reasonable inspection and copying at a mutually agreeable designated location and time. In the event such information is available on computer diskette or other readily usable electronic medium, the party responding to the information request shall make the diskette or such electronic medium available to the other parties, and the Commission. Subject to objections that may be raised and to the extent practicable, the electronic files for spreadsheet will contain all cell references and formulae intact, and will not be converted to values prior to submission. A party shall not be required, in a response to an information request, to provide data that is/are already on file with the Commission or otherwise part of the public record, or that may be stipulated to pursuant to Part D, infra. The responding party shall, in lieu of production of a document in the public record, include in its response to the information request an identification of the document with reasonable specificity sufficient to enable the requesting party to locate and copy the document. In addition, a party shall not be required, in a response to an information request, to make computations, compute ratios, reclassify, trend, calculate, or otherwise rework data contained in its files or records.

For each response to an information request, the responding party should identify the person who is responsible for preparing the response as well as the witnesses who will be responsible for sponsoring the response at the evidentiary hearing.

A party may object to responding to an information request that it deems to be irrelevant, immaterial, unduly burdensome, onerous or repetitious, or where the response contains information claimed to be privileged or subject to protection (confidential information). If a party claims that information requested is confidential, and withholds production of all or a portion of such confidential information, the party shall: (1) provide information reasonably sufficient to identify the confidential information withheld from the response, without disclosing

privileged or protected information; (2) state the basis for withholding the confidential information (including, but not limited to, the specific privilege applicable or protection claimed for the confidential information and the specific harm that would befall the party if the information were disclosed); and (3) state whether the party is willing to provide the confidential information to some or all representatives of the party pursuant to a protective order.

A party seeking production of documents notwithstanding a party's claim of confidentiality, may file a motion to compel production with the Commission.

The responses of each party to information requests shall adhere to a uniform system of numbering agreed upon by the Parties. For example, the first information request submitted by the Consumer Advocate in this docket shall be referred to and designated as "CA-IR-1," and a response to this information request shall be referred to and designated as "Response to CA-IR-1."

Each response shall be provided on a separate page and shall recite the entire question asked and set forth the response and/or reference the attached responsive document.

B. Matters of Public Record

To reduce unnecessary reproduction of documents and to facilitate these proceedings, identified matters of public record shall be admissible in this proceeding without the necessity of reproducing each document; provided that the document to be admitted is clearly identified by reference to the place of publication, file or docket number, and the identified document is available for inspection by the Commission and the Parties; and further provided that any party has the right to explain, qualify or conduct examination with respect to the identified document. The Commission can rule on whether the identified document can be admitted into evidence when a party proffers such document for admission as evidence in this case.

From time to time, the parties may enter into stipulations that such documents, or any portion of such documents, may be introduced into evidence in this case.

C. Copies of Information Requests, Responses to Information Requests and Statements of Position

1. Information Requests, Responses to Information Requests, Statements of Position:

Commission	Original + 8 copies
HECO/HELCO/MECO	3 copies
Consumer Advocate	2 copies
Department of Defense	2 copies

2. All documents required to be filed with the Commission shall comply with the formatting requirements prescribed pursuant to Chapter 61, Subchapter 2, Section 6-61-16 of the Commission's Rules of Practice and Procedure and shall be filed at the office of the Commission in Honolulu within the time limit prescribed pursuant to Chapter 61, Subchapter 2, Section 6-61-15 of the Commission's Rules of Practice and Procedure.

3. Copies of all filings should be sent to the Parties by hand delivery or United States mail (first class, postage prepaid). In addition, if available, all parties shall provide copies of their filings to the other parties via diskette or e-mail in a standard electronic format that is readily available by the parties. The Parties agree to use Word 97, Word 2000 or Word 2003 as the standard programming format for filings in this case. However, if workpapers, documentation, or exhibits attached to any filing are not readily available in an electronic format, a party shall not be required to convert such workpapers, documentation, or exhibits into an electronic format. Also, existing documents produced in response to requests need not be converted to Word 97/Word 2000/Word 2003 as long as the applicable format is identified. In the event a copy of a filing is delivered to a party via diskette or e-mail, unless otherwise agreed

to by such party, the same number of copies of such filing must still be delivered to such party by hand delivery or United States mail (first class, postage prepaid) as provided in Parts F.1 above.

D. Communications

Chapter 61, Subchapter 3, Section 6-61-29 of the Commission's Rules of Practice and Procedure concerning ex parte communications is applicable to any communications between a party and the Commission. However, the parties may communicate with Commission counsel on matters of practice and procedure through their own counsel or designated official.

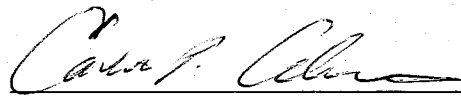
Communications between the parties should either be through counsel or through designated representatives. All pleadings, papers, and other documents filed in this proceeding shall be served on the opposing party. All motions, supporting memoranda, and the like shall also be served on opposing counsel.

E. General

These procedures are consistent with the orderly conduct of this docket. This Stipulated Procedural Order shall control the subsequent course of these proceedings, unless modified by the Parties in writing and approved by the Commission or upon the Commission's own motion.


DONE at Honolulu, Hawaii, this 3rd day of November, 2006.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By (EXCUSED)
John E. Cole , Commissioner

APPROVED AS TO FORM:

By 
Michael Azama
Commission Counsel

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Stipulated Procedural Order No. 23012 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE
AND CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
335 Merchant Street, Room 326
Honolulu, Hawaii 96813

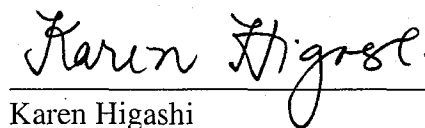
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Karen Higashi

DATED: NOV - 3 2006